



County of Los Angeles CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

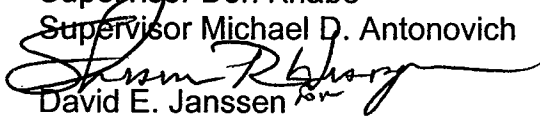
YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

March 22, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich
From: 
David E. Janssen
Chief Administrative Officer

WASHINGTON, D.C. UPDATE

Federal Fiscal Year 2007 Supplemental Appropriations Bill

The Senate Appropriations Committee approved its version of the Supplemental Appropriations bill for Federal Fiscal Year (FFY) 2007 today. Like the House Supplemental Appropriations bill (H.R. 1591), most of the funding will be directed to the Department of Defense to support ongoing operations in Iraq and Afghanistan.

Of significant interest to the County, the Senate Appropriations Committee adopted an amendment offered by Senator Durbin (D-IL) to place a two-year moratorium on the proposed rule issued by the Centers for Medicare and Medicaid Services (CMS) to limit payments to public hospitals. Senator Feinstein, who serves on the Appropriations Committee, supported the amendment. The proposed rule was issued by CMS on January 18, 2007 and would become effective September 1, 2007. It is estimated to have a \$500 million impact on California and a \$200 million impact on Los Angeles County. It is anticipated that the FFY 2007 Supplemental Appropriations bill will be considered in the full Senate sometime next week.

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Also, on March 16, 2007, a bipartisan group of 60 Senators sent a letter to Secretary Leavitt requesting that CMS withdraw the proposed rule. A similar letter was also sent by 153 members in the House of Representatives. The Department of Health Services also sent its own comments to CMS opposing the rule last week.

We will continue to keep you advised.

DEJ:GK
MAL:MT:acn

c: All Department Heads
Legislative Strategist